

OVERVIEW OF BUDGET

DEPARTMENT: ECONOMIC AND COMMUNITY DEVELOPMENT
DIRECTOR: THOMAS R. LAURIN

2002-03

	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
ECD Consolidated	56,888,676	41,540,670		15,348,006	61.0
Economic Promotion	926,263	68,000	858,263		2.0
Small Business Dev	228,956	40,000	188,956		4.0
TOTAL	58,043,895	41,648,670	1,047,219	15,348,006	67.0

**BUDGET UNIT: ECONOMIC AND COMMUNITY DEVELOPMENT
CONSOLIDATED (SAR, SAS, SAT, SAU, SAV, SBA,
SBC, SBD, SBE, SBQ, SBR, SBT, SBW, SBZ, SCS, SDJ,
SDK, SDR)**

I. GENERAL PROGRAM STATEMENT

Economic and Community Development is responsible for applying for and administering federal, state, and local grant funds allocated to the County of San Bernardino for housing, economic, and community development programs. Federal funds comprise a large percentage of the total monies included in the department's budget through Community Development Block Grants (CDBG), the Emergency Shelter Grant, Home Investment Partnership Program Grant (HOME), the Neighborhood Initiative Program Grant (NIP), and the Economic Development Initiative Program (EDI) Grant.

II. BUDGET & WORKLOAD HISTORY

	Actual 2000-01	Budget 2001-02	Actual 2001-02	Budget 2002-03
Total Requirements	30,801,411	59,427,244	23,021,281	56,888,676
Total Sources	39,889,065	48,888,166	27,223,213	41,540,670
Fund Balance		10,539,078		15,348,006
Budgeted Staffing		58.0		61.0

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in this fund are typically less than budgeted. Since the cost of programs administered by this department are primarily federally funded, revenues also are usually under realized as well. The unexpended and unrealized amounts in 2001-02 have been carried over to the subsequent year's budget.

III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET (see attachments for detailed changes)

STAFFING CHANGES

This budget includes a net increase of 3.0 positions in staffing. An ECD Specialist I (pending classification review) has been added to handle the increase in workload related to the Neighborhood Initiative Program. An Economic and Community Development Analyst has been added to handle the additional workload due to the anticipated increase in the number of CDBG projects. An Educational Specialist position was transferred from Jobs and Employment Services Department to assist with the outreach and capacity building efforts associated with the Community Housing Development Organizations (CHDO) and Homeowners Assistance Program. Also included in the staffing changes is the conversion of 2.0 clerical Public Service Employee positions to 2.0 permanent positions, 1.0 Clerk II and 1.0 Secretary I.

PROGRAM CHANGES

The one-time \$15,000,000 federal Neighborhood Initiative Grant has been completely expended on neighborhood revitalization efforts over the last three years. However, revenue generated by the programs, from the resale of Housing and Urban Development (HUD) houses, is being realized by the program and included in the budget on an annual basis for continued neighborhood revitalization activities.

ECONOMIC AND COMMUNITY DEVELOPMENT

GROUP: Economic Development/Public Services
DEPARTMENT: Economic and Community Development
FUND: Consolidated Special Revenue
(SAR, SAS, SAT, SAU, SAV, SBA, SBC, SBD,
SBE, SBQ, SBR, SBT, SBW, SBZ, SCS, SDJ, SDK, SDR)

FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2001-02 Actuals	2001-02 Approved Budget	2002-03 Board Approved Base Budget	2002-03 Board Approved Changes to Base Budget	2002-03 Final Budget
Appropriations					
Salaries and Benefits	2,981,000	3,200,054	3,360,057	170,537	3,530,594
Services and Supplies	1,133,422	1,009,279	1,029,465	535,018	1,564,483
Central Computer	19,283	19,128	51,187	-	51,187
Grants/Direct Projects	16,007,735	50,445,395	50,445,395	(2,163,819)	48,281,576
Transfers	2,222,058	3,783,604	3,783,604	452,319	4,235,923
Total Expen Authority	22,363,498	58,457,460	58,669,708	(1,005,945)	57,663,763
Less:					
Reimbursements	-	-	-	(3,436,155)	(3,436,155)
Total Appropriation	22,363,498	58,457,460	58,669,708	(4,442,100)	54,227,608
Operating Transfers Out	657,783	969,784	969,784	1,691,284	2,661,068
Total Requirements	23,021,281	59,427,244	59,639,492	(2,750,816)	56,888,676
Revenue					
Fines & Forfeitures	2,699	-	-	1,500	1,500
Taxes	13,651	75,000	75,000	(43,017)	31,983
Use of Money & Property	355,830	570,920	570,920	58,179	629,099
Current Services	23,732	25,000	25,000	(25,000)	-
State, Fed or Gov't Aid	12,839,527	40,214,747	40,214,747	(6,628,477)	33,586,270
Other Revenue	13,887,774	8,002,499	8,214,747	(922,929)	7,291,818
Total Revenue	27,123,213	48,888,166	49,100,414	(7,559,744)	41,540,670
Operating Transfers In	100,000	-	-	-	-
Total Sources	27,223,213	48,888,166	49,100,414	(7,559,744)	41,540,670
Fund Balance		10,539,078	10,539,078	4,808,928	15,348,006
Budgeted Staffing		58.0	58.0	3.00	61.0

	Total Changes in Board Approved Base Budget	
Salaries and Benefits	160,003	MOU increases.
Services and Supplies	20,186	Inflation factor applied.
Central Computer	32,059	
Revenue	212,248	Increase in revenue to support base year adjustments.
Total Appropriation Change	212,248	
Total Revenue Change	212,248	
Total Fund Balance Change	-	
Total 2001-02 Appropriation	59,427,244	
Total 2001-02 Revenue	48,888,166	
Total 2001-02 Fund Balance	10,539,078	
Total Base Budget Appropriation	59,639,492	
Total Base Budget Revenue	49,100,414	
Total Base Budget Fund Balance	10,539,078	

ECONOMIC AND COMMUNITY DEVELOPMENT

Board Approved Changes to Base Budget

Salaries and Benefits	170,537	Increase of three budgeted staff and conversion of two PSE positions into regular positions.
	<u>170,537</u>	
Services and Supplies	56,800	Increase due to additional costs of legal advertisements required under the federal grant program.
	24,000	Increase due to additional training required for new federal automated reporting systems.
	(77,419)	Decrease in COWCAP.
	47,968	Increase in Dist DP Equip and System Development Charges per ISD.
	50,742	Net increase in all other object codes.
	432,927	Fund balance adjustment.
	<u>535,018</u>	
Grants	(1,170,110)	Decrease due to business loan program federal aid reduction as a result of Board of Supervisors action on April 16, 2001 regarding the CDBG consolidated plan.
	(897,838)	Decrease in expenditures for the home acquisition/rehab program.
	(1,299,409)	Decrease due to 2001-02 over estimated budget for grants in CDBG grants.
	(459,251)	Decrease in Economic Development Incentive (EDI) Program.
	(158,507)	Decrease in various other program expenses due to reduction in federal aid.
	1,821,296	Fund balance adjustment.
	<u>(2,163,819)</u>	
Transfers	(2,126,429)	Decrease in costs incurred by other departments (estimated at \$440,602) and a reclassification of some department charges to operating transfers from transfers (\$1,685,827).
	2,578,748	Increase due to an accounting change - salary expense will be accounted for in fund SAU and disbursed to other ECD funds.
	<u>452,319</u>	
Operating Transfers	1,685,827	Reclassification of some department charges to operating transfers from transfers.
	5,457	Fund balance adjustment.
	<u>1,691,284</u>	
Reimbursements	(2,578,748)	Increase due to an accounting change - salary expense will be accounted for in fund SAU and disbursed to other ECD funds.
	(857,407)	Fund balance adjustment.
	<u>(3,436,155)</u>	
Total Appropriation	<u>(2,750,816)</u>	
Revenue		
Fines & Forfeitures	1,500	Expected increase in loan activity.
Taxes	(43,017)	Decrease due to increased compliance of property owners with county abatement policies.
Use of Money	58,179	Increase due to expected loan payment activity.
Current Services	(25,000)	Decrease due to revenue reclassified to other revenue.
State and Federal Aid	(4,000,000)	Reduction in revenues related to the Neighborhood Initiative Program (federal grant has been completely expended).
	(990,513)	Decrease of federal aid for housing acquisition program.
	(816,908)	Decrease due to 2001-02 over projection of federal aid in the CDBG program.
	(527,271)	Decrease due to reduction in Economic Development Incentive (EDI) grant funding.
	(403,879)	Decrease due to reduction in federal aid for business loan programs as a result of Board of Supervisors action on April 16, 2001 regarding the CDBG consolidated plan.
	110,094	Fund balance adjustment.
	<u>(6,628,477)</u>	
Other Revenue	(922,929)	Decrease in the amount of loan payoffs for existing and future business loans and for the selling of rehab houses under the acquisition/rehab program as a result of Board of Supervisors action on April 16, 2001 regarding the CDBG consolidated plan.
Total Revenue	<u>(7,559,744)</u>	
Fund Balance	<u>4,808,928</u>	